



**EnviroMission Limited**  
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US OTC Code: EVOMY

## Appendix 4E

In accordance with ASX Listing Rule 4.3, Appendix 4E, Preliminary Report for EnviroMission Limited, for the period ended 30 June 2010 follows.

It should be noted that the Preliminary Financial Report herewith has not been audited and is therefore subject to change.

Ends.

Roger C. Davey  
Executive Chairman  
Chief Executive Officer

### Media Enquires

Kim Forte (+61414690356)  
Communications Manager  
Enviromission Limited  
Director  
EnviroMission (USA), Inc.

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**ENVIROMISSION LIMITED**  
**ACN 094 963 238**

**APPENDIX 4E**

**PRELIMINARY FINAL REPORT**  
**FOR THE PERIOD ENDED 30 JUNE 2010**

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**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

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Revenues from ordinary activities	Down	98%	to	\$	637
Loss from ordinary activities attributable to members	Up	58%	to	\$	4,941,964
Net loss for the period attributable to members	Up	58%	to	\$	4,941,964

No dividend has been paid during the financial year or in the previous corresponding period. No dividend has been proposed or declared since the end of the financial year end.

Revenue from ordinary activities \$637 compared to last year's \$35,280

Net loss attributable to members \$4,941,964 compared to last year's loss of \$11,634,372

Earnings (loss) per share of (1.5 cents) compared with last year's loss of (3.8 cents)

Diluted earnings (loss) per share of (1.5 cents) compared with last year's loss of (3.8 cents)

The Company, as previously advised, has been granted approval by the Southern California Public Power Authority (SCPPA) to enter into power purchase negotiations with its members. Negotiations are ongoing with large power providers in the Southern California region to subscribe to the power output (200MW) of the proposed the Solar Tower development. Discussions are at an advanced, it is expected that the potential power output from the Solar Tower will be fully subscribed which will provide a key element for commercial development of the Solar Tower. The signing of a power purchase agreement will assist in assigning value to the technology held by Enviromission Limited, being the worldwide rights to develop Solar Towers, by measuring its potential cash inflows.

The board have elected to make a provision for impairment of the Australian licence held by Enviromission Ltd's 100% owned subsidiary SolarMission Limited. The Company does not intend to enter into negotiations to develop the Solar Tower technology in Australia on a commercial basis until the terms and conditions available in Australia compete economically with those available to the company in other jurisdictions. Due to these circumstances it is difficult to determine the carrying value of the licence and it was determined that it should be treated as fully impaired with a carrying value of \$nil. The directors believe that the future value of the licence will be determined and influenced by the success of the Solar Tower development in Arizona.

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Consolidated 2010 \$</b>	<b>Consolidated 2009 \$</b>
Revenue from ordinary activities	637	35,280
Loss on sale of investment	(37,168)	-
Depreciation and amortisation	(516,478)	(6,248,518)
Impairment expense	(2,546,523)	(2,571,824)
Employee expenses	(71,766)	(86,290)
Occupancy expenses	(92,689)	(96,825)
Business expenses	(235,619)	(1,015,741)
Travel expenses	(30,087)	(134,056)
Contracting/ consulting expenses	(903,972)	(1,092,522)
Finance cost	(68,173)	(58,898)
Other administration expense	(440,126)	(364,978)
Loss before income tax expense	(4,941,964)	(11,634,372)
Income tax expense	-	-
Loss for the year	(4,941,964)	(11,634,372)
Loss attributed to members of the parent	(4,941,964)	(11,634,372)
Basic earnings per share (cents)	(1.5)	(3.8)
Diluted earnings per share (cents)	(1.5)	(3.8)

**CONSOLIDATED BALANCE SHEET  
AS AT 30 JUNE 2010**

	Consolidated 2010 \$	Consolidated 2009 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	20,461	47,035
Trade and other receivables	39,701	359,680
<b>TOTAL CURRENT ASSETS</b>	<u>60,162</u>	<u>406,715</u>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	7,495	14,764
Other non-current assets	8,241	7,819
Other financial assets	-	-
Intangibles	402,054	3,454,237
<b>TOTAL NON-CURRENT ASSETS</b>	<u>417,790</u>	<u>3,476,820</u>
<b>TOTAL ASSETS</b>	<u>477,952</u>	<u>3,883,536</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,959,139	1,326,109
Interest bearing liabilities	109,023	115,060
	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,068,162</u>	<u>1,441,169</u>
<b>TOTAL LIABILITIES</b>	<u>2,068,162</u>	<u>1,441,169</u>
<b>NET ASSETS</b>	<u>(1,590,210)</u>	<u>2,442,367</u>
<b>EQUITY</b>		
Issued Capital	30,215,034	29,355,492
Other reserves	125,981	76,136
Accumulated losses	(31,931,225)	(26,989,261)
<b>TOTAL EQUITY</b>	<u>(1,590,210)</u>	<u>2,442,367</u>

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**CONSOLIDATED CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Consolidated 2010 \$</b>	<b>Consolidated 2009 \$</b>
<b>Total Equity at the beginning of the Year</b>	<u>2,442,367</u>	<u>4,922,400</u>
<b>Profit/(loss) for the year</b>	<u>(4,941,964)</u>	<u>(11,634,372)</u>
<b>Total recognised income and expense for the period</b>	<u>(4,941,964)</u>	<u>(11,634,372)</u>
Attributed to:		
Members of the parent	<u>(4,941,964)</u>	<u>(11,634,372)</u>
	<u>(4,941,964)</u>	<u>(11,634,372)</u>
<b>Transactions with equity holders in their capacity as equity holders:</b>		
Contributions	<u>909,387</u>	<u>9,154,339</u>
	<u>909,387</u>	<u>9,154,339</u>
<b>Total Equity at the end of the Year</b>	<u>(1,590,210)</u>	<u>2,442,367</u>

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	<b>Consolidated 2010</b>	<b>Consolidated 2009</b>
	\$	\$
<b>Net cash flows from operating activities</b>		
Interest income	46	2,593
Foreign exchange gain / (loss) - realised	176	(28,347)
Foreign exchange gain / (loss) - unrealised	-	(227,281)
Receipts from customers	-	97,165
Payments to suppliers & employees	(921,559)	(2,462,404)
Interest expense	(2,595)	(37,668)
Net cash inflow/ (outflow) from operating activities	<u>(923,932)</u>	<u>(2,655,942)</u>
<b>Cash flows (used in)/provided by investing activities</b>		
Payments for property, plant & equipment	(1,816)	(14,232)
Payment for investments	-	(5,892,175)
Proceeds from sale of investments	(32,533)	15,973
Purchase of licence/IP	-	(400,000)
Net cash inflow/ (outflow) from investing activities	<u>(34,349)</u>	<u>(6,290,434)</u>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	859,542	9,078,189
Proceeds from borrowings	100,000	857,930
Repayment of borrowings	-	(85,000)
Repayment of loan	-	225,424
Proceeds from borrowings - related party	269,244	(86,792)
Amounts advanced to related parties	(296,458)	(992,996)
Net cash inflow/ (outflow) from financing activities	<u>932,328</u>	<u>8,996,755</u>
<b>Net increase in cash and cash equivalents</b>	(25,951)	50,379
Cash and cash equivalents at the beginning of the financial period	47,035	10,834
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	(623)	(14,178)
Cash and cash equivalents at the end of the financial period	<u>20,460</u>	<u>47,035</u>
Notes to the condensed consolidated statement of cash flows		
Reconciliation of cash		
Cash on hand and at bank	<u>20,461</u>	<u>47,035</u>

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## SEGMENT INFORMATION

The Company operates in one industry and one geographic are only.

## ACCUMULATED LOSSES

	Consolidated 2010 \$	Consolidated 2009 \$
Accumulated losses at beginning of the financial period	(26,989,261)	(15,354,889)
Net loss attributable to members	(4,941,964)	(11,634,372)
	<hr/>	<hr/>
Accumulated losses at end of financial period	(31,931,225)	(26,989,261)

## EARNINGS PER SHARE

Basic earnings/ (loss) per share (cents)	(1.5)	(3.8)
Diluted earnings/ (loss) per share (cents)	(1.5)	(3.8)
	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	369,959,701	306,819,400
	<hr/>	<hr/>
Loss used in calculating basic and diluted earnings per share calculation	(4,941,964)	(11,634,372)

### Potential ordinary shares not considered dilutive

As at 30 June 2010 the company had 58,105,535 options on issue over unissued capital.

**NET TANGIBLE ASSET BACKING**

Net tangible asset backing per ordinary share at 30 June 2010, (0.0061) cents, and at previous corresponding period, (0.0033) cents.

**EVENTS SUBSEQUENT TO REPORTING DATE**

There have been no events subsequent to 30 June to have a material effect on the company.

**COMPLIANCE STATEMENT**

The financial information provided in the Appendix 4E is based on the annual financial report, which has been prepared in accordance with Australian accounting standards or standards acceptable to ASX.

This report and the accounts upon which the report is based use the same accounting policies.

This report does give a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited.

The financial report is not likely to be the subject of dispute or qualification.



Signed: .....Date, 31 August, 2010

Roger C. Davey  
Executive Chairman  
Chief Executive Officer

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